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Todd L. Goodman
Associate General Counsel

January 27, 2016

Via DELAFILE

Donna Nickerson, Secretary
Delaware Public Service Commission
861 Silver Lake Boulevard
Cannon Building, Suite 100
Dover DE 19904

Re: Compliance Filing of Delmarva Power & Light Company
Docket No. 13-250 - Utility Bill Transparency

Dear Ms. Nickerson:

Pursuant to Order No. 8835 in Docket No. 13-250, I enclose Delmarva Power & Light Company's Compliance Filing. This Compliance Filing is being made pursuant to Ordering Paragraph Nos. 1 and 2 of the above referenced order.

Exhibit A contains a copy of Order No. 8835.

Exhibit B contains two examples of a bill section showing what the new format will look like.

Although a typical compliance filing does not contain the amount of explanatory text contained in the attached filing, Delmarva believes that including a more detailed explanation of this particular filing is appropriate in this case, due to the significant number of petitioners and intervenors.

Please feel free to call me at (302) 353-7979 or Heather Hall at (302) 454-4828 if you have any questions.

Sincerely,

Todd L. Goodman

encl.

IN THE PUBLIC SERVICE COMMISSION
OF THE STATE OF DELAWARE

IN THE MATTER OF THE LEGISLATIVE PETITION)	
FOR REVIEW AND RECOMMENDATIONS ON)	
DELMARVA POWER & LIGHT COMPANY)	Docket No. 13-250
UTILITY BILL TRANSPARENCY)	
(FILED JUNE 20, 2013))	

**Compliance Filing Of Delmarva Power & Light Company
Pursuant To Commission Order No. 8835**

Delmarva Power & Light Company ("Delmarva"), by and through its undersigned counsel, hereby submits this filing in compliance with Commission Order No. 8835 in this Docket, dated December 15, 2015 ("Order No. 8835").

1. The background facts supporting this filing are set forth in pages 1-3 of Order No. 8835, a copy of which is attached hereto as Exhibit A. Rather than repeat the full history of this docket, Delmarva respectfully refers the Commission to Order No. 8835 for background.

2. As reflected in Order No. 8835, the Commission determined that the monthly amount that customers pay for compliance with Delaware's Renewable Portfolio Compliance Act, which is currently identified on customer bills as the "Renewable Compliance Charge," should be further broken down into two categories: (a) the amount that customers are incurring for more traditional sources of renewable energy, and (b) the amount that customers are incurring for the Qualified Fuel Cell Program ("QFCP").

3. Paragraph 1 at pages 3 - 4 of Order No. 8835 provides Delmarva Power with two options for compliance:

- a. *break the existing Renewable Portfolio Compliance Charge into two line items on its electric customers' bill - one containing the monthly QFCP charge, the other containing the remaining components of the Renewable Compliance Charge; or*
- b. *add a one line descriptive note on the bill that separately identifies the monthly QFCP charge.*

4. After research and analysis into the two options outlined above (hereinafter referred to as "Option A" and "Option B"), Delmarva Power determined that from both a time and cost perspective, Option A is preferable to Option B. To summarize, Option A would involve modifications to the line item field of Delmarva Power's billing system. The line item field is the only field in the billing system designed to calculate and identify variable monthly charges. Option B, on the other hand, would require monthly changes to the notes field of Delmarva Power's billing system; the notes field is not designed to calculate and identify a variable monthly charge. Therefore, implementation of Option B would involve time consuming and costly modifications to Delmarva Power's billing system. Accordingly, Delmarva Power has concluded that Option A is the only practicable compliance option.

5. Attached hereto as "Exhibit B" are two examples of what the "Delivery" portion of Delmarva's monthly bills will look like with the implementation of compliance Option A. Each example is based upon a Residential electric customer utilizing 975 kWh of electricity for the example month. The first page of Exhibit B represents what an actual bill would look like under Option A for the month of January 2016. The second page of Exhibit B represents what an actual bill would look like under Option A for the month of February 2016. For the

convenience of the Commission, the two new line items are highlighted on both the January and February example bills.

6. In addition to separating the existing Renewable Portfolio Compliance Charge into two line items - one containing the monthly Qualified Fuel Cell charge, and the other containing the charge for wind and solar, Delmarva Power will include the following billing note to help customers understand the billing format changes:

Both the "Wind & Solar" and "Qualified Fuel Cell" portions of the Renewable Compliance Charge above provide compliance required by Delaware's Renewable Energy Portfolio Standards Act. The Qualified Fuel Cells provide customers with approximately 52% of that compliance. For more on renewable and clean energy, visit Delmarva.com/renewable-energy-portfolio-standards-act.

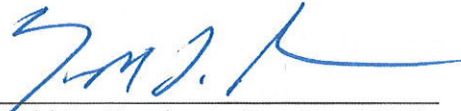
Delmarva Power anticipates that this billing note will remain on its bills for at least several months, if not longer.

7. Delmarva Power will also continue to use billing inserts and its website to help educate customers regarding the change that they will see on their bills. Delmarva Power's customer service representatives will also be prepared to explain the change to customers.

8. Implementing the Option A revisions to Delmarva Power's monthly bills will require reprogramming and testing of the billing system, which will take some time to complete. In addition, Delmarva Power anticipates that it will take approximately two and one-half months to adequately educate customers about the change in the appearance of their bills (using the aforementioned bill inserts and website). Delmarva Power will use the same basic customer education techniques that it used before in implementing the Phase I bill changes in this docket, which took effect with bills issued beginning in July 2014. Delmarva Power anticipates that the necessary programming, testing and customer education can be completed such that bills will

begin showing the new line items beginning in May 2016. In the unlikely event that unanticipated system challenges arise that would make it judicious to roll out the billing format change at a later time, Delmarva will notify the Commission and provide an explanation.

Respectfully Submitted,



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Dated: 1/27/16

Exhibit A

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF DELAWARE**

IN THE MATTER OF THE LEGISLATIVE)	
PETITION FOR REVIEW AND)	
RECOMMENDATIONS ON)	PSC DOCKET NO. 13-250
DELMARVA POWER & LIGHT COMPANY)	
UTILITY BILL TRANSPARENCY)	
(FILED JUNE 20, 2013))	

ORDER NO. 8835

AND NOW, this 15th day of December, 2015;

WHEREAS, on June 20, 2013, Representative John Kowalko and State Senators Dave Lawson and Gary Simpson, on behalf of nineteen other members of the Delaware General Assembly, filed a Petition (the "Petition") requesting the Delaware Public Service Commission (the "Commission") to open a docket to review the appropriate level of detail contained in monthly billing statements prepared by Delmarva Power & Light Company ("Delmarva" or the "Company") and sent to its customers; and

WHEREAS, the Petition alleged that customers of Delmarva do not know how much they are being charged each month for various legislatively-mandated initiatives such as the Renewable Energy Portfolio Standards, the Qualified Fuel Cell Provider ("QFCP") project, the Low Income Assistance and others; and

WHEREAS, the Commission's general authority under Title 26 of the Delaware Code provides it the right and responsibility to investigate any issue involving the transparency of charges associated with compliance with legislative mandates included in utility customers' bills; and

WHEREAS, at its regularly scheduled Commission Meeting on July 2, 2013, the Commission opened this docket for the purposes of conducting a review to determine the appropriate level of detail regarding the charges associated with legislative mandates that should be included on Delmarva customers' electric bills; and

WHEREAS, the Commission also ordered appropriate public notice of the opening of this docket and allowed interested parties to intervene in order to commence a working group to report back to the Commission on its recommendations regarding utility bill transparency related to Delmarva and its customer billing system; and

WHEREAS, the working group met on October 22, 2013, November 19, 2013, and April 10, 2014 to discuss the issues relating to the appropriate level of detail that should be included on Delmarva's monthly billing statements; and

WHEREAS, Delmarva presented at the April 10, 2014 workshop a proposal that would segment the docket into two phases proposing that initially, in Phase I that three (3) items, which had been previously included in the Distribution Charge of the customer's bill, be listed separately as: (1) the Low Income Charge (2) Green Energy Fund; and (3) Renewable Compliance Charges, with an implementation date of July 1, 2014, which the Commission approved in PSC Order No. 8556 (April 29, 2014); and

WHEREAS, Phase II of this docket required the parties to reconvene at a later date to determine which, if any, additional changes could be further broken out after Delmarva's conversion to

its new Solution One billing system; and

WHEREAS, Phase II of this docket has now been completed and we have received and considered the Case Manager's Memorandum of October 15, 2015 (the "Memorandum"), which sets forth: (1) the issues discussed at the two (2) workshops held in Phase II; (2) Delmarva's proposal that its customers' electric bill be further modified by language indicating that the components of the Renewable Compliance Charge (including the monthly QFCP¹ charge) would be available on the Delmarva's internet web page; and (3) the Case Manager's recommendation that the QFCP component not be further disaggregated as a line item from the Renewable Compliance Charges and no further changes be made to the customers' bill at this time; and

WHEREAS, the Commission has also received comments from some of the parties to the Phase II proceeding objecting to the Case Manager's recommendation and supporting, instead, the position that the QFCP included in the Renewable Compliance Charge should be shown on the customers' bill as a separate line item; and

WHEREAS, the Commission has duly considered the arguments made by the various parties on the issue of whether the QFCP monthly charge should be separately listed on Delmarva's customers' bills; and

**NOW, THEREFORE, IT IS HEREBY ORDERED BY THE AFFIRMATIVE
VOTE OF NOT FEWER THAN THREE COMMISSIONERS:**

1. That the Commission directs Delmarva to either: (a) break the existing Renewable Portfolio Compliance Charge into two line items on its electrical customers' bills -- one containing the monthly QFCP

¹ The Qualified Fuel Cell Provider (sometimes referred to as the Bloom charge).

charge, the other containing the remaining components of the Renewable Compliance Charge; or (b) add a one line descriptive note on the bill that separately identifies the monthly QFCP charge.

2. That the Commission further directs Delmarva to work out the details of these additional modifications to the customers' bill and report back to the Commission within 45 days of the date of this order with a recommended proposed draft of the revised bill for the Commission's further consideration.

3. That the Commission reserves the jurisdiction and authority to enter such further Orders in this matter as may be deemed necessary and proper.

BY ORDER OF THE COMMISSION:

Chair

Commissioner

Commissioner

Commissioner

Commissioner

ATTEST:

Secretary

Exhibit B

EXHIBIT B – Page 1
EXAMPLE DRAFT - (at January 2016 actual RCC rates)

<u>Type of charge</u>	<u>How we calculate this charge</u>	<u>Amount(\$)</u>
Customer Charge		11.70
Distribution Charge	First 500 kWh x \$0.0299250 per kWh	14.96
Distribution Charge	Last 475 kWh x \$0.0299250 per kWh	14.21
Low Income Charge	975 kWh x \$0.0000950 per kWh	0.09
Green Energy Fund	975 kWh x \$0.0003560 per kWh	0.35
Renewable Compliance Charge:		
Wind & Solar	975 kWh x \$.003939 per kWh	3.84
Qualified Fuel Cells	975 kWh x \$.003512 per kWh	3.42
Utility Facility Relocation Charge		0.22
Total Electric Delivery Charges		\$48.79

Both the “Wind & Solar” and “Qualified Fuel Cell” portions of the Renewable Compliance Charge above provide compliance required by Delaware’s Renewable Energy Portfolio Standards Act. The Qualified Fuel Cells provide customers with approximately 52% of that compliance. For more on renewable and clean energy, visit Delmarva.com/renewable-energy-portfolio-standards-act.

EXHIBIT B – Page 2
EXAMPLE DRAFT - (at February 2016 actual RCC rates)

<u>Type of charge</u>	<u>How we calculate this charge</u>	<u>Amount(\$)</u>
Customer Charge		11.70
Distribution Charge	First 500 kWh x \$0.0299250 per kWh	14.96
Distribution Charge	Last 475 kWh x \$0.0299250 per kWh	14.21
Low Income Charge	975 kWh x \$0.0000950 per kWh	0.09
Green Energy Fund	975 kWh x \$0.0003560 per kWh	0.35
Renewable Compliance Charge:		
Wind & Solar	975 kWh x \$.003939 per kWh	3.84
Qualified Fuel Cells	975 kWh x \$.004611 per kWh	4.50
Utility Facility Relocation Charge		0.22
Total Electric Delivery Charges		\$49.87

Both the “Wind & Solar” and “Qualified Fuel Cell” portions of the Renewable Compliance Charge above provide compliance required by Delaware’s Renewable Energy Portfolio Standards Act. The Qualified Fuel Cells provide customers with approximately 52% of that compliance. For more on renewable and clean energy, visit delmarva.com/renewable-energy-portfolio-standards-act.